

State of California

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Legislative Change No.**99-12**Bill Number: AB 1140Author: VillaraigosaChapter Number: 99-196

Laws Affecting Franchise Tax Board:

Section 18501 of the Revenue and Taxation CodeDate Filed with the Secretary of the State: July 28, 1999

SUBJECT: Include Effect of Senior Exemption & Dependent Credits In Filing Requirement Income Threshold Amounts

Assembly Bill 1140 (Villaraigosa), as enacted on July 28, 1999, made the following changes to California law:

Section 18501 of the Revenue and Taxation Code is amended.

This act raises the income threshold amount below which taxpayers are not required to file an income tax return. (Taxpayers below this threshold have no tax liability.) The higher threshold takes into account the increased exemption credit for dependents, as well as the senior exemption credit. Revised filing thresholds attributable to this act are provided below.

Based on a senior exemption credit amount of \$70 and a dependent exemption amount of \$227, the adjusted gross income filing thresholds, based on 1998 tax tables are approximately:

	Single/MFS	MFJ	HOH
No senior credit, 1 dependent	\$ 16,000	\$ 25,000	\$ 20,000
No senior credit, 2 dependents	\$ 22,000	\$ 31,000	\$ 26,000
1 senior credit, no dependents	\$ 12,000	\$ 21,000	N/A
1 senior credit, 1 dependent	\$ 18,000	\$ 27,000	\$ 21,000
1 senior credit, 2 dependents	\$ 22,000	\$ 31,000	\$ 26,000
2 senior credits, no dependents	N/A	\$ 24,000	N/A
2 senior credits, 1 dependent	N/A	\$ 30,000	N/A
2 senior credits, 2 dependents	N/A	\$ 35,000	N/A

(married filing separate (MFS), married filing joint (MFJ), head of household (HOH))

The adjusted gross income filing threshold amounts will be adjusted for inflation for the taxable year beginning on January 1, 1999, and for each year thereafter.

This act is effective for each taxable year beginning on or after January 1, 1999.

This act will not require any reports by the department to the Legislature.

Bureau Director

Johnnie Lou Rosas

Date

November 24, 1999